

Special Report
Governance Assessment Fiscal Year 2002

October 2002

City Auditor's Office
City of Kansas City, Missouri

October 23, 2002

Honorable Mayor and Members of the City Council:

The City Auditor conducted this review of governance information from boards and commissions pursuant to Section 2-722 of the Code of Ordinances which requires the City Auditor to distribute a governance assessment checklist, boards and commissions that receive checklists to complete and return them, and the City Auditor to report on the results of the governance assessment. This is the first year the governance assessment was required. The report provides the Mayor and City Council information to help understand the governance practices of the boards and commissions in Kansas City.

Appointed boards and commissions are major players in Kansas City government. Like elected officials, boards are responsible for allocating public resources and overseeing provision of services. In 2001, boards and commissions spent over \$222 million in public money for services such as policing, parks and recreation, and ambulance services, and for business and development incentives.

Boards and commissions are governing bodies. Governance is the exercise of authority, direction, and control by the governing body. This important function is distinct from that of management – governance deals with *what* an organization should do. Management deals with day-to-day operations or *how* the organization sets out to meet its goals.

In August 2001, we identified six core functions for which boards are responsible:

- Leading the organization
- Setting policies delineating management responsibilities
- Ensuring management compliance with board directives
- Ensuring accountability for achieving organizational goals
- Ensuring a high level of board performance and effectiveness
- Representing the “owners” of the organization

These governance functions are important because failure to govern effectively can lead to misspending public money, poor delivery of public services, and betrayal of public trust.

Eleven boards and commissions participated in this governance assessment, and eight of them submitted answers to questions about their governance practices and provided certain documents. The MAST Board of Trustees submitted a detailed response that reflects the Board’s recent efforts to improve its governance using a “policy governance” model. Three agencies did not submit responses.

This report includes the boards' and commissions' written responses to questions about their governance practices as an appendix.

A draft of this special report was sent to the City Manager and to each of the agencies for review on October 10, 2002. We appreciate the courtesy and cooperation extended to us by the boards and commissions that participated in the assessment. The auditor for this project was Michael Eglinski.

Mark Funkhouser
City Auditor

Governance Assessment Fiscal Year 2002

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Introduction

Objectives

This special report on governance practices of boards and commissions was conducted pursuant to Article II, Section 13 of the Charter of Kansas City, Missouri, which establishes the Office of the City Auditor and outlines the City Auditor's primary duties. This report is required by Code of Ordinances, Section 2-722, which requires the City Auditor to administer a governance assessment checklist and to report on the results.

The purpose of this report is to help the Mayor and City Council understand and evaluate the governance practices of boards and commissions. This is the first governance assessment report and it was designed to answer:

- Which boards and commissions provided the governance assessment as required by city code?
- How did the boards and commissions answer questions about their governance practices?

Scope and Methodology

Our review focuses on Kansas City boards and commissions with control over major city resources and programs; namely, city component units and the Board of Parks and Recreation Commissioners. We identified 11 boards and commissions to include in the review. City code requires the City Auditor to distribute the governance assessment checklist "to all appropriate governing or policy boards of the city, including component unit boards and commissions." The code also allows the City Auditor to invite the Board of Police Commissioners to participate.

In November 2001, we distributed assessments to all of the component units identified in the city's 2001 Comprehensive Annual Financial Report (CAFR) and invited the Board of Police Commissioners to participate. Before the responses were due, we made follow-up phone calls to each board and commission. After the April 30, 2002, deadline to respond, we followed-up with another letter to boards and commissions that had not responded.

We do not evaluate the responses to reach conclusions about the extent to which the boards and commissions follow good governance practices.

No information was omitted from this report because it was deemed privileged or confidential.

Background

Legislative Authority

City code requires governing and policy boards and commissions to annually complete and submit checklists about their governance practices. The City Auditor is responsible for developing and distributing the checklist and must report to the Mayor and City Council by each November 1.¹ The Mayor and City Council approved the requirements in September 2001. This is the first year boards and commissions have been required to assess their governance practices.

Kansas City Boards and Commissions

Appointed boards and commissions are major players in local government. Like elected officials, boards are responsible for allocating public resources and overseeing the provision of services. In Kansas City, organizations governed by these boards and commissions spent over \$222 million in fiscal year 2001 for services such as policing, parks and recreation, and ambulance services, and for business and development incentives. (See Exhibit 1.)

¹ Code of Ordinances, Kansas City, Missouri, Sec. 2-722.

Exhibit 1. Boards and Commissions, 2001 Expenditures

Organization	Responsibility	Expenditures
Kansas City Board of Police Commissioners	Provides police services to the city	\$115,998,000
Board of Parks and Recreation Commissioners	Maintains parks and boulevards and provides recreational opportunities for Kansas City residents	38,019,000
Metropolitan Ambulance Services Trust	Provides municipal ambulance services	34,347,754
Tax Increment Financing Commission	Finances redevelopment projects through payments in lieu of taxes	20,478,000
Port Authority of Kansas City, Missouri	Plans and develops areas within the city limits	4,932,000
Economic Development Corporation	Provides business and economic development services	3,328,000
18 th & Vine Authority	Oversees construction, renovation and maintenance of Jazz Hall of Fame, GEM Theatre, Negro League Baseball Hall of Fame and Museum	2,079,000
Land Clearance for Redevelopment Authority	Eliminates blight by acquiring and preparing land for redevelopment	1,997,000
KCCID Charitable Fund	Administers redevelopment of centrally located industrial sites with a mix of public and private funds	971,000
Kansas City Downtown Minority Development Corporation	Fosters minority entrepreneurship in the city's central business district	454,000
Kansas City Maintenance Reserve Corporation	Administers a home maintenance program for certain homeowners participating in the Rehabilitation Loan Program	105,000
Total		\$222,708,754

Sources: Kansas City, Missouri, CAFR and MAST financial statements for the year ending April 30, 2001.

Good Governance Practices

In *Good Governance Practices for Boards and Commissions*, we identified six core governance functions.² Following these practices would improve the effectiveness of boards' activities and result in boards that are accountable to citizens and elected officials. These governance functions are important because failure to govern effectively can lead to misspending public money, poor delivery of public services, and betrayal of public trust.

Leading the organization — Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.

Setting policies delineating management responsibilities — Boards and commissions should adopt policies that delineate the responsibilities and powers of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies.

Ensuring management compliance with board directives — Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of management compliance with board policies, resolutions, existing laws, and ethical standards.

Ensuring accountability for achieving organizational goals — Boards and commissions should monitor the organizations' progress toward accomplishing goals, and review and update the policies, mission statements, and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance in terms of achievement of goals. In addition, boards should seek information from sources independent of management on whether the organization is achieving its goals.

Ensuring a high level of board performance and effectiveness — In addition to code of ethics and conflict of interest policies, boards and commissions should adopt policies that prescribe board activities and the

² *Special Report: Good Governance Practices for Boards and Commissions*, City Auditor's Office, City of Kansas City, Missouri, August 2001.

manner in which board meetings are conducted, the committees are structured, and decisions are communicated.

Representing the “owners” of the organization — City boards and commissions should be cognizant of the fact that they represent the people of Kansas City. Board members’ behavior should reflect the understanding that they are trustees for the citizens, and accountable to the Mayor and City Council. Boards should conduct business in accordance with the Missouri Sunshine Law.

Analysis

Summary

Most of the city's boards and commissions participated in the governance assessment process by answering a series of questions about their governance practices and providing documents about their organizations. Eight of the 11 organizations we sent checklists to responded. These eight organizations spent almost \$220 million in 2001. Three organizations did not respond, although city code requires organizations that receive assessment questions to submit responses.

The boards and commissions provided information that help describe their governance practices. Their answers are included in the appendix.

Most Boards Submitted Governance Information

Most of the boards and commissions responded to the governance assessments. In November 2001, the City Auditor sent governance questionnaires to 11 boards. Eight of the boards submitted responses to the City Auditor. The eight organizations that responded spent almost \$220 million in 2001. Boards that submitted information are:³

- Board of Police Commissions
- Board of Parks and Recreation Commissioners
- Metropolitan Ambulance Services Trust
- Tax Increment Financing Commission
- Port Authority
- Economic Development Corporation
- Land Clearance for Redevelopment Authority
- Kansas City Downtown Minority Development Corporation

Three boards did not respond to the governance assessment: 18th and Vine Authority, KCCID Charitable Fund, and Kansas City Maintenance Reserve Corporation. In 2001, these organizations spent \$3.2 million.

³ Three boards submitted responses after the April 30 deadline established in Section 2-722 of the Code of Ordinances. Those boards are: Economic Development Corporation, Board of Parks and Recreation Commissioners, and Kansas City Downtown Minority Development Corporation.

City code requires boards to respond to the governance assessment and to do so by April 30. To help ensure compliance, the City Auditor's Office contacted each agency in early November 2001, providing the boards with a copy of the relevant section of the code. We sent the checklists in late November 2001. Before the responses were due, we followed up by phone. After the April 30 deadline for response passed, we followed up with another letter.

Information from Specific Boards

The eight boards that submitted governance information provided the City Auditor's Office with documents and written responses to a series of questions. The appendix includes the boards' written responses to the questions.

Each board answered questions corresponding to the six core governance functions:

- What are the overall goals for your organization? How does the board (commission) establish, document, and communicate the goals?
- What are the board's policies that delineate board and staff responsibilities? What are the board's financial planning, revenue, and expenditure policies? How are the board's policies documented and reviewed?
- How does the board ensure management compliance with board directives? How are the results documented?
- How does the board ensure accountability for achieving organizational goals? How is that documented?
- How does the board ensure a high level of board performance and effectiveness? How is that documented?
- How does the board represent the people of Kansas City? How is that documented?

Boards and commissions also provided us with documents, if available, including organization charts, job descriptions, mission statements, by-laws, external audit reports, and minutes of recent meetings.

Appendix

Boards' and Commissions' Responses

Eight of the 11 boards and commissions provided the City Auditor's Office with written responses to questions about their governance practices. This appendix includes copies of the written responses.

The organizations' written responses often include reference to specific documents that they provided us. Because these documents are voluminous, we are not including copies of them in this report. The documents are available for review at the City Auditor's Office.

Kansas City Board of Police Commissioners

The Board of Police Commissioners governs the Police Department. Expenditures for the police were \$116 million in fiscal year 2001. The department provides police services. The Chief of Police is the top executive position that answers to the board.

The board has five members, including the Mayor. The other four members are appointed by the Governor.

The Board of Police Commissioners was invited to participate in the governance assessment, but is not required to do so under city code.

1. Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.

What are the overall goals for your organization? How does the board (commission) establish, document and communicate the goals? (Please provide the documentation.)

The Kansas City, Missouri Board of Police Commissioners has set the overall goals of the organization (or the goals have been otherwise set) in a variety of ways. Likewise, these goals are documented and communicated to the members of the Police Department in several ways.

First, Chapter 84 of the Revised Statutes of the State of Missouri sets out numerous duties and responsibilities that the Kansas City, Missouri Police Department is charged with undertaking. Obviously, the accomplishment of each of these statutory duties and responsibilities are the central goals of the Police Department's governing body, the Kansas City Board of Police Commissioners. Further, these goals generally describe the end result of the Department's activities.

Second, the Kansas City, Missouri Police Department has established a mission statement. This mission statement further addresses the statutory goals set for the Department in such respects as establishing "a close working relationship between the police and citizens," ensuring that the functions of Department are accomplished with "professionalism, dignity, and objectivity" and holding each employee of the department to a standard of conduct "that is above reproach."

The Kansas City, Missouri Police Department further clarifies and addresses its goals by having each of its separate Bureaus establish their own Mission Statement. By doing so, each Bureau is able to clearly and cogently communicate the goals of the Department to each of its members.

The goals of the Department are regularly reviewed and fine-tuned as needed or on a standard review schedule at the regularly scheduled Board meetings, which are then memorialized in documents such as Board meeting minutes, the videotape of the Board meeting proceedings, Board Resolutions, Policy and Procedure updates, statistical summaries (for example crime, personnel, capital improvement) the Department's Annual Accomplishments and Goals and the Department's Annual Report. In as much as the goals of the Department are discussed

and modified at the regularly scheduled Board meeting, these goals of the Department are made well known to management by virtue of the command staff's attendance at these meetings and all Department members' easy access to all the documents mentioned in this response. Additionally, the Department's web page contains nearly all the documents mentioned in these responses as well as other information which can be of use to the public.

Finally, the Department is in the midst of a comprehensive self-review with the objective being the establishment of a "Strategic Plan." A significant portion of this "Strategic Plan" deals directly with issues raised and questions posed in this specific request for information associated with the City Auditor's Special Report: Good Governance Practices for Boards and Commissions.

In accordance with Section 1 of the Governance Assessment Checklist and the request to provide documentation, above, the following documents are attached:

- Personnel Policy 102-2 (Department Mission Statement)
- Applicable Sections of Chapter 84 RSMo.
- 2001 Annual Report (containing each bureau's mission statement)
- 2001 List of Department Accomplishments & 2002 Goals
- Strategic Plan

2. Boards and commissions should adopt policies that delineate the latitude and the power of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies.

What are the board's policies that delineate the board and staff responsibilities? What are the board's financial planning, revenue, and expenditure policies? How are the board's policies documented and reviewed? (Please provide documentation.)

The relationship between the Kansas City Board of Police Commissioners and its top executive, the Chief of Police, is governed in the first instance by Chapter 84 of the Revised Statutes of Missouri; more specifically, Sections 84.480 and 84.500 RSMo. In some respects, certain Board resolutions clarify the latitude of the Chief of Police.

Specific Board responsibilities are set forth in Chapter 84 of the Revised Statutes of Missouri.

The Board has adopted policies and resolution that prohibit specific management actions that are unethical or unacceptable.

The Board's financial planning, revenue and expenditure policies are prescribed by state law, city ordinance, Board resolutions and Department policies. Policy 01-02 primarily dictates the fiscal practices and responsibilities of the Department for financial matters including such matters as the bidding process, fee review, grant application and compliance. The budget setting process is further dictated by unit policy and the budget calendar published by the city staff.

The financial dealings of the Department are independently audited annually by an outside accounting firm and periodically audited by the Missouri State Auditor and Kansas City, Missouri City Auditor.

As stated above, the Department is in the process of conducting a comprehensive self-study aimed at producing a "Strategic Plan." A significant portion of this "Strategic Plan" deals directly with issues raised and questions posed in this specific request for information associated with the City Auditor's Special Report: Good Governance Practices for Boards and Commissions.

In accordance with Section 2 of the Governance Assessment Checklist and the request to provide documentation, above, the following documents are attached:

- Applicable Sections of Chapter 84 RSMo.
- Applicable Board Resolutions
- Applicable Department Policies
- Most Recent Outside Financial Audit
- Most Recent State Auditor Report (illustrative)
- City Auditor, Kansas City, Missouri Fees Audit (illustrative)
- Strategic Plan

3. Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of the management compliance.

How does the board ensure management compliance with board directives? How are the results documented? (Please provide documentation.)

The Kansas City Board of Police Commissioners holds regular monthly meetings, recently instituting a second meeting each month known as its "Business Session." Items of concern or interest to the Board are discussed at Board meetings and reports on specific issues or subjects are there requested for future meetings. At its monthly meeting the Board receives standard reports such as crime summaries and Department manpower statistics. The board is able to compare such reports with national statistics as well as its own historical data. Year to year data is compiled memorialized in such documents as the Department's Annual Report.

The Board has its own Audit Sub-Committee and the department has its own Internal Audit group. Pursuant to Chapter 84 of the Revised Statutes of Missouri, the Board is audited annually by an outside accounting firm. As was stated in response to the previous question, the Department is frequently audited by the Missouri State Auditor and the Kansas City Auditor.

With respect to management compliance with Board directives it must be remembered that Section 84.490 RSMo. provides that "the chief of police shall serve during the pleasure of the board." The Chief is charged with implementing the policies of the Board. Personnel Policy 103-8 sets out the organizational structure of the Police Department with the chief of police being the chief executive officer. Management compliance thus, starts with the chief of police and makes its way down through the chain of command as outlined. The Deputy Chiefs of each Bureau give monthly presentations to the Board and they are given direct feedback from the Board in response thereto.

In accordance with Section 3 of the Governance Assessment Checklist and the request to provide documentation, above, the following documents are attached:

- Applicable Sections of Chapter 84 RSMo.
- Applicable Board Resolutions
- Applicable Department Policies
- Most Recent Outside Financial Audit
- Most recent videotape and meeting minutes (illustrative)
- O.C.C. 10-Year Statistics
- Monthly Crime Statistics
- Monthly Personnel Statistics
- Monthly Capital Improvement Update
- 2001 Department Annual Report
- Most Recent State Auditor Report (illustrative)
- City Auditor, Kansas City, Missouri Fees Audit (illustrative)

4. Boards and commissions should monitor the organization's progress toward accomplishing its goals, and review and update policies, mission statement and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance. In addition, boards should seek information on whether the organization is achieving its goals from sources independent of management.

How does the board ensure accountability for achieving organizational goals? How is that documented? (Please provide the documentation.)

The Board monitor's the progress of the department towards achieving its goals in numerous ways, some formal, some less so.

As stated previously, the Department is audited by an outside independent accounting firm, the Missouri State Auditor and the Kansas City Auditor. The Department contracts with outside organizations such as PERF to conduct certain studies that often times bear on the issue of whether the Department is achieving its goals and how it can work more effectively to so achieve. Additionally, with the assistance of an outside agency, the Department is currently in the process of conducting a comprehensive self-study in order to develop a "Strategic Plan". The process of developing, the findings arrived at and the policies rising out of this process will help the Board assess management's performance and further assess whether the Department goals are being met.

The Board currently holds two monthly meetings to help assess management's performance. At such meetings, the Board routinely reviews and updates policies, goals, procedural instructions and when appropriate, mission statements. Further, the Board is provided monthly statistical reports touching on such items as crime, personnel, grants received and currency seized. The reports and presentations to the Board are comprised of both activity as well as performance reports.

The Department's top executive (Chief of Police) serves at the pleasure of the Board. The Board regularly evaluates the performance of the Department's top executive with progress towards goals set being one of several factors reviewed. In addition, the Chief of Police's performance is annually assessed, giving the Board the opportunity to assess progress made toward goals and determine the appropriate course for the future.

Informally, the Board is partially able to assess progress towards achieving goals by such means as public comments at their meetings and review of OCC statistics. Board members routinely and informally meet with neighborhood groups and community activists to discuss issues of importance to them. Board members also meet regularly with members of the City Council and the State Legislature. Such informal gatherings provide a wealth of information that would not otherwise be available to them and allows the Board to monitor progress in a non-traditional sense as to how the Department is meeting its goals.

In accordance with Section 3 of the Governance Assessment Checklist and the request to provide documentation, above, the following documents are attached:

- Most Recent State Auditor Report
- Most Recent Outside Financial Audit
- City Auditor, Kansas City, Missouri Fees Audit (illustrative)
- Strategic Plan
- Most Recent PERF Study

5. In addition to code of ethics and conflict of interest policies the prescribe board activities and the manner in which board meetings are conducted, the committees are structured, decisions are communicated. Boards should develop job descriptions for board members, have orientations for new members, provide ongoing training for all board members, have an attendance/absenteeism policy, and conduct collective self-evaluations. Boards should set and control the agenda for board meetings.

How does the board ensure a high level of board performance and effectiveness? How is this documented? (Please provide documentation.)

The general duties or job description of Board members are set forth in Chapter 84 of the Revised Statutes of Missouri. The Kansas City, Missouri Police Department has a specific code of conduct and numerous personnel policies addressing ethical and professional behavior. By board resolution these policies apply to the members of the board. The board has set up such sub-committees as needed and communicates its decisions at televised and taped board meetings. The agenda for such meetings is discussed before hand and controlled by the board.

Board meetings are governed by Chapter 610 of the Revised Statutes of Missouri. The board demands strict compliance with the dictates of the Sunshine Law by, amongst other things, providing notice of its meetings in timely fashion, providing the meeting agendas to interested parties and conducting closed sessions for only those matters legitimately closed pursuant to statute.

The Department is in the process of a comprehensive self-evaluation, which is ultimately designed to produce a "strategic plan." This plan is expected to address such issues as a new member orientation program and continuing training for sitting board members. To the extent that such is not pre-empted by statute, the "strategic plan" may clarify or focus the board members' job descriptions.

In accordance with Section 5 of the Governance Assessment Checklist and the request to provide documentation, above, the following documents are attached:

- Applicable Sections of Chapter 84 RSMo.
- Applicable Sections of Chapter 610 RSMo.
- Applicable Board Resolutions

- Applicable Department Policies
- Most Recent Outside Financial Audit
- Strategic Plan

6. Boards and commissions should have regular meetings with the mayor and City Council. Boards should assess the needs, concerns, and demands of the people of Kansas City regarding the organization's activities. Boards should conduct business in accordance with the Missouri Sunshine Law, and should communicate with other city boards and organizations to see how their activities fit within the city's "big picture". Boards should develop a "board profile" to help the mayor in choosing candidates for appointments to the board.

How does the board represent the people of Kansas City? How is that documented? (Please provide documentation.)

Section 84.350 provides that the Mayor of Kansas City serve as a voting member of the Board of Police Commissioners thus providing her with an intimate view of the Department which she is then able to share with council members.

The board regularly solicits input from the citizens of Kansas City through meetings with individuals or groups, providing for public comments at its regularly scheduled meetings and providing the citizens with an apparatus for air complaints with the department, the Office of Citizen's Complaints.

When schedules permit and the Mayor and City Council deem it advisable, the board members have conducted joint meetings. Further, members of the City Council routinely attend regularly scheduled board meetings and members of the Department attend council committee hearings and full council meetings.

Members of the Department regularly interact with other city boards and agencies, most frequently on issues dealing with public safety. Department members regularly attend and testify at city council committee meetings.

Qualifications for becoming a board member are prescribed by statute and appointments to this board are made by the Governor of the State of Missouri, not the Mayor of Kansas City. Generally, the members are selected from geographically diverse portions of the city that loosely follow state senatorial districts. Neither the Governor nor state legislature have indicated a need or desire to have the board develop a "board profile" and thus, none has been submitted. However, should such be solicited, concerns such as minority representation, geographic diversity and differing professional backgrounds could be emphasized.

Board meetings are governed by Chapter 610 of the Revised Statutes of Missouri. The board demands strict compliance with the dictates of the Sunshine Law by, amongst other things, providing notice of its meetings in timely fashion, providing the meeting agendas to interested parties and conducting closed sessions for only those matters legitimately closed pursuant to statute.

In accordance with Section 6 of the Governance Assessment Checklist and the request to provide documentation, above, the following documents are attached:

- Applicable Sections of Chapter 84 RSMo.
- Applicable Sections of Chapter 610 RSMo.
- Notices of Last 3 Board Meetings (Sub-Committee, Business Session and full Board Meeting-illustrative)

Board of Parks and Recreation Commissioners

The Board of Parks and Recreation Commissioners governs the Parks and Recreation Department and oversees expenditures of over \$38 million. The department maintains parks and boulevards and provides recreation services. The Director of Parks and Recreation is the top executive position that answers to the board.

The Board of Parks and Recreation Commissioners has five members. All five are appointed by the Mayor.

The Board of Parks and Recreation Commissioners provided the City Auditor with a written response on May 30, 2002, after the April 30 deadline.

1. Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.

What are the overall goals for your organization? How does the board (commission) establish, document, and communicate the goals? (Please provide the documentation.)

The Board of Parks and Recreation Commissioners has approved an overall Mission Statement for the department, and mission statements and goals for each division. This document was formally approved by April 6, 1999 resolution #24686. Division managers worked with a consultant to prepare the Plan, and Board members each have their own copy. The document, which establishes and communicates the critical issues and goals, is under review revision in the next few months. Documentation regarding meeting of goals is communicated from Parks' staff to board members during public board meetings, and through the annual budget process.

2. Boards and commissions should adopt policies that delineate the latitude and the power of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies.

What are the board's policies that delineate board and staff responsibilities? What are the board's financial planning, revenue, and expenditure policies? How are the board's policies documented and reviewed? (Please provide the documentation.)

The Board of Parks and Recreation Commissioners has its policy regarding responsibilities spelled out in the City Charter, Article III, Division 10, Sections 50 through 76. (Attach copy of the Charter citation). One of the responsibilities of the Board, as outlined in the Charter, is to appoint an Executive Officer. Duties of this officer and all city staff are outlined in specific position descriptions for each job title, through the Human Resources Department. Board policies regarding financial planning, revenue and expenditures are strongly influenced by the city's policies. However, the Board has additional policies regarding such things as gifts to Parks and Recreation. Policies are documented by the Board secretary, and reviewed as needed when issues arise.

3. Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the

criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of the management compliance.

How does the board ensure management compliance with board directives? How are the results documented? (Please provide the documentation.)

Parks and Recreation managers report on compliance with board directives at the required monthly public meeting of the Board of Parks and Recreation Commissioners (the meeting is usually held each week on Tuesdays). The docket for each meeting includes a report on the status of capital projects, the director's report, and the project management report, as well as other specific issues and time for public comments. Results are documented through meeting minutes

4. Boards and commissions should monitor the organization's progress toward accomplishing its goals, and review and update the policies, mission statement, and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance. In addition, boards should seek information on whether the organization is achieving its goals from sources independent of management.

How does the board ensure accountability for achieving organizational goals? How is that documented? (Please provide the documentation.)

Divisional goals are reported each week, as required, at the public Board meeting. Goals are more thoroughly explored during the budget process. Documentation is collected in a variety of ways, including attendance records reported on the Park server, and in the Board secretary's meeting minutes.

5. In addition to code of ethics and conflict of interest policies, boards and commissions should adopt policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, decisions are communicated. Boards should develop job descriptions for board members, have orientations for new members, provide ongoing training for all board members, have an attendance/absenteeism policy, and conduct collective self-evaluations. Boards should set and control the agenda for board meetings.

How does the board ensure a high level of board performance and effectiveness? How is that documented? (Please provide the documentation.)

Members of the Board of Parks and Recreation Commissioners are included in the city's ethics policy, and were provided training in ethics by the city's education and training division. The Charter prescribes many of the board responsibilities and activities, as well as

meeting requirements. There are no sub committees, since only five members comprise the Board of Parks and Recreation Commissioners (the Board had three members until a Charter Amendment was passed in 1999). The Parks Board is vastly different from not-for-profit boards, and job descriptions are not appropriate for politically appointed boards. When new Board members are appointed, staff provide many sources of historical, financial, programming, planning and building information, as well as statutes and ordinances governing the Board and the Department. There are a number of commitments and expectations of Board members, and members convene to determine which one will assume what responsibilities.

6. Boards and commissions should have regular meetings with the mayor and the City Council. Boards should assess the needs, concerns, and demands of the people of Kansas City regarding the organization's activities. Boards should conduct business in accordance with the Missouri Sunshine Law, and should communicate with other city boards and organizations to see how their activities fit within the city's "big picture". Boards should develop a "board profile" to help the mayor in choosing candidates for appointments to the board.

How does the board represent the people of Kansas City? How is that documented?
(Please provide the documentation.)

The current Charter requires the Board of Parks and Recreation Commissioners to have a public meeting at least monthly, but most often these meetings take place each week on Tuesday afternoons. Board resolutions are passed only during these public meetings, in compliance with the Missouri Sunshine Law. In addition, Board members are included on the Boards of other Parks associates, such as Friends of the Zoo and Starlight Theatre. Board members attend neighborhood association meetings, city council meetings, and often receive citizen concerns by mail, telephone and e-mail as well as in person during public meetings. Board members remain in contact with the mayor and city council, sometimes informally, and sometimes at public council meetings. Documentation is in the minutes of Board and Council meetings. The Official Board Minutes are sent to the Mayor and the City Council by Lotus Notes on a monthly basis and followed-up by hard copies. (See Attached List)

Metropolitan Ambulance Services Trust

The MAST Board of Trustees oversees emergency medical services and transportation. In fiscal year 2001, expenditures for MAST were over \$34 million. The Executive Director is the top position who answers to the Board of Trustees.

The MAST Board of Trustees has seven members. The members are appointed by the Mayor, with approval of the City Council. The board includes two members who are City Councilmembers; two who are licensed physicians with experience in emergency medicine; one who has experience in health care and/or public administration; one who has a background in finance and banking; and one who is a lawyer.

Recently, the MAST Board of Trustees worked to improve governance practices using a “policy governance” model. The work done by the board provides an example of how much importance boards and commissions can place on strengthening governance practices. The information provided to us by the board provides an example of a detailed and complete response to our checklist.

Questions:**1. What are the overall goals for your organization? How does the board establish, document, and communicate the goals?**

The Policy Governance model takes as its starting point, or “goal”, the principle that a governing board is accountable for the organization that it governs and that it exists on behalf of a larger group of persons who, either legally or morally, “own” the organization.

The MAST board has established to whom it is accountable and for what we are accountable. While statutes do help to answer these question, policy governance holds that a generic “goal” of any governing board is that it must act on behalf of an identifiable ownership and assure that the organization achieves what it should while avoiding what is unacceptable.

How these goals are defined for the organization are based on Ends policies. Broadly, these Ends policies determine the results, recipients, and relative costs of any policy strategy.

The policy framework of establishing, documenting, and communicating goals, can be seen in the comprehensive, carefully crafted way that the board clarifies its expectations and values by its strategic discussions and policies.

For an example of how Ends policies are developed in an ongoing fashion, please refer to the enclosed documents labeled: “MAST Board of Trustees Meeting Dates and Annual Agenda 2002” and “MAST Board of Trustees Goal Tracking Sheet at a Glance”.

An example of an Ends Policy would be the enclosed document labeled: “Mutual Aid”.

2. What are the board’s policies that delineate board and staff responsibilities?

The Policy Governance model provides the Executive Director a powerful mechanism by which he/she no longer needs to guess about what ends are expected and what means are prohibited.

The board delegates to the executive level in a manner that does not depend on seeking board pre-approval, since policies are pre-approved. Policies allow the board to establish overall control, which is obligatory, and to establish more detailed control, which is optional.

Policies are statements of value and by taking control over successively smaller values; the board can increase its control in increments. The increments are added until the board has established a level of control that will enable it to allow the Executive Director to use any reasonable interpretation within the range that remains. This is the point at which the board delegates.

In addition, all expectations and policy directives go between board and staff solely through the Executive Director channel, as he/she is accountable for interpretation, compliance, and performance.

For an example of Means Limitations Policies, please, refer to the enclosed document labeled: “Board-Executive Director Linkage Policies”.

What are the board's financial planning, revenue, and expenditure policies?

The MAST Board of Trustees has a Finance Committee that meets 4-6 times a year. This committee is tasked with bringing to the board materials in the format and presentation that will allow for strategic discussion around financial planning policies, revenue policies, and expenditure policies.

Revenue cycles and collections, capital improvements, budget, audit, and strategic growth initiatives are financial planning aspects that are brought before the board.

For an example of financial planning and expenditure policies, please, refer to the enclosed documents labeled: "MAST Procurement Policy" and "The Charter of the MAST Finance Committee".

How are the board's policies documented and reviewed?

The board's policies are documented in the MAST Board Policy Manual, enclosed. Means policies are formally reviewed annually and Ends policies are reviewed by the goal tracking sheet and annual agenda schedule provided.

Policy governance is a dynamic process, and documentation and review is an ongoing exercise, but with formal milestones and benchmarks that require adherence.

Refer to Board Manual in its entirety.

**3. How does the board ensure management compliance with board directives?
How are the results documented?**

The board meeting minutes, enclosed, will reflect a monthly aspect of compliance. Board members receive a packet of monitoring reports and they will attest to review of these reports as acceptance of the consent agenda. Anyone, board or staff, can remove a monitoring report from the consent agenda.

The Executive Director attests each month that these monitoring reports are in compliance with the board's policies or asks that a report be removed from the consent agenda for discussion. The minutes reflect any discussion of the out-of-compliance issue and serve as documentation.

The out-of-compliance issue discussion functions as a measure of performance and/or may trigger a change in control level between management and the board by use of a tighter level of policy value.

The board spends a relatively small amount of time going over reports as these are reviewed in advance and the board has delegated the interpretation of compliance to the Executive Director, so as not to micromanage.

The majority of time is spent in strategic discussions, educational reports, meetings with stakeholders, and the crafting of Ends policies that control and direct the organization's responsibilities to its owners.

For an example of Means Limitations policies, please, refer to the enclosed document labeled: "Executive Limits Policy".

4. How does the board ensure accountability for achieving organizational goals, both through management performance and from sources independent of management? How is this documented?

Board performance is monitored and documented, through the minutes, by means of its educational reports and strategic discussions. These discussions address accountability of the organization from internal and external sources on a planned and proscribed basis.

In an orderly fashion, by means of planning from an annual agenda, each meeting features educational speakers, community members, liaison participants, and healthcare and business experts brought for discussion with the board. This allows a wider view of organizational performance from external and community sources.

Members of the board sit on other committees such as Emergency Physicians Advisory Board (EPAB) and The EMS Advisory Board (EMSAC). This brings a strategic view of MAST's place in relationship to the entire, regional pre-hospital community.

Another reality of accountability is the level of expertise and skill sets demonstrated by individuals who are appointed and serve on Kansas City's boards and commissions. The MAST board includes representatives from the City Council, The KCMO Public Health Department, the City Finance Department, practicing physicians, emergency physicians, the business community, and the legal community. All of these individuals display an extraordinary level of involvement, commitment, and have the ability to make a difference.

Management is highly functioning and with exceptional qualifications as well. Management performance is regularly reviewed by means of monitoring reports and compliance discussions.

In addition, the board annual agenda has a scheduled time for management performance review through the Personnel Committee process. Compensation is tied to performance. Management is encouraged and financially supported in seeking outside education and input from resources that will aid the organization in achieving its goals.

For an example of external input and feedback, please, refer to the enclosed information on discussions with federal and state elected officials, trade association

representatives, municipal representatives, community leaders, outside consultants with respect to collections processes, and community assessment surveys of satisfaction and performance.

5. How does the board ensure a high level of board performance and effectiveness? How is this documented?

Policy governance discussion provided opportunity for considerable development around meeting structure, report presentation, and effectiveness of board meetings.

Today, the MAST board sets and controls its meeting agenda. The chairman of the board facilitates by adhering to the annual agenda generated in December each year for the coming year. Board meeting are devoted to education and strategic discussions that address the goals and results necessary for the organization. Management is delegated the accountability for compliance of monitoring reports so the board can attend to policy and planning. Decisions about Ends and Means policy for the organization are communicated from the board to the Executive Director, who is responsible for staff communication and implementation.

The by-laws of the board address conduct, attendance, elections, and structure. MAST needs few committees now. Those that remain are chartered and have as their job description the responsibility to bring information to the board in a format that leads to strategic decisions from the entire group.

Since policy governance was adopted, no new board members have been appointed and the board is all up to speed at the same time. A challenge will be to provide the same level of training and orientation to new members.

The chairman has a great deal of responsibility under policy governance to facilitate the board activities as policy-responsible and ownership-accountable. Each year, in December, the board formally reviews its performance and spends time in self-assessment, change management, and planning for next year's agenda.

For an example of board conduct policies, please, refer to the by-laws of the board and to the job/role description for board members.

6. How does the board represent the people of Kansas City? How is that documented?

The MAST board members are very involved in the citywide integration and coordination of needs, concerns, and demands of the people of Kansas City. Examples are the liaison with the EMS Advisory Committee and the Safe Cities Initiative. Even though MAST has challenges within its core business, it is a model organization with respect to commitment of volunteer time in service to the broader community.

The board has worked pro-actively to foster relationships with our ambulance contractor, the fire department, the police department, the city of KCK, and hospital emergency room providers.

MAST has worked in a leadership capacity with MARCER to develop metro ambulance diversion guidelines following publishing of a rule by the Missouri Department of Health and Senior Services. MAST board chairman is, also, on the Missouri Board of Health and Senior Services.

The Chairman and Executive Director recently testified at the City Council budget hearings. The Chair, board members, and management team makes themselves available and, often, seek opportunities to meet with the mayor and City Council but, as well, desire to be respectful of time and significance. The Chair recently met with Mayor Barnes along with other representatives of the safety net providers.

The MAST board is privileged to have two great City Council members on the board. These individuals do a fantastic job of liaison with city leaders and MAST is in a good position to have an important handle on the “big picture”. This expanded awareness on the MAST board for comprehensive activities within our city is a development that has prospered under the current city leadership.

MAST board could develop a board member profile along the lines of our job/role description for board members and we would be happy to assist the mayor in choosing candidates with skill sets and resumes that would add strength to our board. As a friendly suggestion, whatever selection criteria provided the current board members is working.

For an example of board efforts to assess the needs, concerns, and demands of the people of Kansas City, please, refer to consumer surveys and committee involvement.

In summary, thank you again for the opportunity to document the MAST Board of Trustees answer to the “Special Report of Good Governance Practices for Boards and Commissions”.

On behalf of the Board of Trustees, I feel justifiable pride when I say that the MAST Board, Executive Director, and management team do understand responsible governance and respect the “owners” of our public trust. MAST is a high quality, highly functioning organization, a good steward of its resources, and able to give back to community while managing the great challenges of the healthcare industry. MAST is a model of governance practices and a model of service to the people of Kansas City.

Deborah Ann Jantsch, MD, MBA, CPE
Chairman, MAST (Metropolitan Ambulance Service Trust) Board of Trustees
April 27, 2002

Tax Increment Financing Commission

The Tax Increment Financing Commission oversees the use of TIF as a development incentive. In fiscal year 2001, expenditures were over \$20 million. An employee of the Economic Development Corporation is the top executive position for the TIF Commission.

The TIF Commission has eleven members. The Mayor appoints six members. For each redevelopment, the school district appoints two members, the county appoints two members, and other taxing jurisdictions appoint one member. Because the city includes multiple school districts and counties, each TIF redevelopment can have a different TIF Commission.

1. Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.

What are the overall goals for your organization? How does the board (commission) establish, document, and communicate the goals? (Please provide the documentation.)

The TIF Commission sets goals at their annual retreat and may add other goals at their regularly scheduled meetings during the year. These goals are documented in the minutes and through resolutions as approved by the Commission. The meetings and annual retreat are open to the public and the Commission will often times invite the Mayor and affected parties to their retreats and meetings to gain input.

The most recent of the annual retreats was held February 25, 2002. At that time the Commission discussed the following goals:

- Improvements to the reimbursement and economic activity (EATS) process and policies.
- Submission of policies and procedures to the City in response to Councilman Asjes' questions.
- Development of protocol and procedures to better coordinate efforts with City.
- Review of legal services and fees.
- Review of proactive planning efforts.
- Improved monitoring of TIF projects through tours of TIF plans and projects.
- Future training for the Commission, specifically training regarding the "But For" analysis and bonds.
- Improvement in addressing minority participation.

2. Boards and commissions should adopt policies that delineate the latitude and the power of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies.

What are the board's policies that delineate board and staff responsibilities? What are the board's financial planning, revenue, and expenditure policies? How are the board's policies documented and reviewed? (Please provide the documentation.)

Policies delineating board and staff responsibilities: The TIF Commission has developed policies and procedures that delineate the Commission and staff responsibilities. These are set forth in the Commission's TIF Handbook (attached). In addition the Commission has on file job descriptions for the staff (attached).

Financial planning, revenue and expenditure policies: The TIF Commission has developed an extensive set of policies and procedures. These are set forth in the Commission's TIF Handbook (attached) and in the policies approved by the Commission on March 13, 2000 for submission to the Finance and Audit Committee (attached). The TIF Commission reviews their policies on a regular basis. The Commission may also add new policies throughout the year as deemed warranted.

Documentation and Review of Board policies: The TIF Commission has developed procedures related to documentation and regularly receives and reviews documentation related to the Board policies. In addition the City also closely monitors TIF activities through the Auditors office and regular ARTS reporting procedure. Activities related to the documentation and review of Board policies include:

- **Monthly Financial reports:** The EDC accounting staff prepares a monthly financial report. This report is presented first to the TIF Commission's Finance for review prior to each monthly TIF Commission meeting. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Monthly EATS reports:** The TIF staff provides a monthly report on the status of the collection and documentation of economic activity tax collections and documentation. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Annual Financial Audit:** Each year the TIF Commission is audited as a part of the EDC Audit. Attached is a copy of the most current financial audit for the period ending April 30, 2001 completed by Cochran, Head & Co., P.C..

In addition to review by the TIF Commission, various City Departments are also involved in TIF implementation and planning/budgeting. These departments also participate in the monitoring of TIF efforts.

- **Cooperative Efforts with the City Finance Departments:** The TIF Commission and its staff work closely with the City Finance Department in order to improve the monitoring and collection of TIF revenues, and to document actual TIF performance. The City Finance Department along with the TIF staff has instituted a process for confirming actual TIF and tax revenues generated by TIF projects.
- **Annual Budgeting by the City:** The TIF Commission provides TIF revenue estimates to the City Budget Office on an annual basis. These estimates are included in the City's Budget.

3. Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of the management compliance.

**How does the board ensure management compliance with board directives?
How are the results documented? (Please provide the documentation.)**

The TIF Commission conducts regularly scheduled monthly board meetings to conduct board business, review and make decisions regarding ongoing management compliance with board directives. The results are in the form of monthly reports that are made part of the meeting record, described in the TIF minutes, and acted upon by TIF resolution. These reports include:

- **Monthly Financial reports:** The EDC accounting staff prepares a monthly financial report. This report is presented first to the TIF Commission's Finance for review prior to each monthly TIF Commission meeting. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Monthly EATS reports:** The TIF staff provides a monthly report on the status of the collection and documentation of economic activity tax collections and documentation. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Monthly Affirmative Action reports:** The TIF Commission has retained the City's Human Relations Department to monitor the Affirmative Action policy of the Commission. The staff provides a monthly report on the status of the affirmative action efforts of each of the redevelopers and of the TIF Commission itself. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Annual Financial Audit:** Each year the TIF Commission is audited as a part of the EDC Audit. Attached is a copy of the most current financial audit for the period ending April 30, 2001 completed by Cochran, Head & Co., P.C..
- **Reports by Committee:** The TIF Commission has assigned members to various subcommittees, including the Finance Committee and the Affirmative Action Compliance Committee. The committees work with staff to monitor ongoing management objectives.

4. Boards and commissions should monitor the organization's progress toward accomplishing its goals, and review and update the policies, mission statement, and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance. In addition, boards should seek information on whether the organization is achieving its goals from sources independent of management.

How does the board ensure accountability for achieving organizational goals? How is that documented? (Please provide the documentation.)

The TIF Commission conducts regularly scheduled monthly board meetings to conduct board business, review and make decisions regarding ongoing efforts to achieve organization goals. The results are in the form of monthly reports that are made part of the meeting record, described in the TIF minutes, and acted upon by TIF resolution. These reports include:

- **Monthly Financial reports:** The EDC accounting staff prepares a monthly financial report. This report is presented first to the TIF Commission's Finance for review prior to each monthly TIF Commission meeting. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Monthly EATS reports:** The TIF staff provides a monthly report on the status of the collection and documentation of economic activity tax collections and documentation. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Monthly Affirmative Action reports:** The TIF Commission has retained the City's Human Relations Department to monitor the Affirmative Action policy of the Commission. The staff provides a monthly report on the status of the affirmative action efforts of each of the redevelopers and of the TIF Commission itself. At each of the monthly TIF Commission meeting there is a formal review and action. Attached is a copy of the most recent report from the March 13, 2002 TIF Commission meeting.
- **Annual Financial Audit:** Each year the TIF Commission is audited as a part of the EDC Audit. Attached is a copy of the most current financial audit for the period ending April 30, 2001 completed by Cochran, Head & Co., P.C..
- **Reports by Committee:** The TIF Commission has assigned members to various subcommittees, including the Finance Committee and the Affirmative Action Compliance Committee. The committees work with staff to monitor ongoing management objectives.

Some of the organizational goals are more long term and not as readily suitable to monthly reports. In those instances the TIF Commission has directed staff to

undertake a focused investigation and report back to the TIF Commission within a specified time. All directions to and reports by staff are recorded in the minutes and are made part of the official record.

5. In addition to code of ethics and conflict of interest policies, boards and commissions should adopt policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, decisions are communicated. Boards should develop job descriptions for board members, have orientations for new members, provide ongoing training for all board members, have an attendance/absenteeism policy, and conduct collective self-evaluations. Boards should set and control the agenda for board meetings.

How does the board ensure a high level of board performance and effectiveness? How is that documented? (Please provide the documentation.)

The Commission operates in accordance with state statute. The state statute clearly spells out the power available under TIF and prohibits activities that could constitute a conflict of interest. The TIF Commission has also developed policies and procedures (contained in the TIF Commission Handbook) that clearly spell out the role and responsibility of the TIF Commission. In addition, the Commission has provided to staff procedures for public hearings and procedures to be undertaken by staff.

6. Boards and commissions should have regular meetings with the mayor and the City Council. Boards should assess the needs, concerns, and demands of the people of Kansas City regarding the organization's activities. Boards should conduct business in accordance with the Missouri Sunshine Law, and should communicate with other city boards and organizations to see how their activities fit within the city's "big picture". Boards should develop a "board profile" to help the mayor in choosing candidates for appointments to the board.

How does the board represent the people of Kansas City? How is that documented? (Please provide the documentation.)

The TIF Commission seeks public input on a regular basis. As a part of every TIF plan and TIF plan amendment, the Commission publishes public notices in the Kansas City Star and sends mailings to affected parties inviting them to the meeting and soliciting comment. The State statute also requires that the TIF Commission include as voting members representatives from the affected school districts, the affected counties and the other affected taxing districts.

The TIF Commission has established advisory committees within TIF redevelopment areas. The membership of the redevelopment areas includes both commercial and residential property owners and civic leaders from the area. Some of the advisory groups are:

- The Shoal Creek Advisory Committee – This group makes recommendations regarding priority and timing of road improvements;
- The Eleventh Street Neighborhood Advisory Committee – This group makes recommendations regarding grants for façade, streetscape and parking improvements within the Central Business District;
- The Union Hill Advisory Committee – This is a newly created group to provide recommendations regarding grants and loans to property owners within the Union Hill District;
- The Midtown Housing Advisory Committee – This group advises the TIF Commission and City Council regarding the RAMP program which oversees the Midtown Housing effort.

In December 2001, the TIF Commission, through the EDC, sponsored a community strategic planning session in which more than 300 business professionals, neighborhood leaders, City Councilpersons, City and State officials, and other stakeholders in the greater Kansas City community were invited to critique the TIF and staff on how it was meeting the needs of the community. Attendees at the strategic planning session actively participated with the TIF Commission and staff in making recommendations on how TIF could continue to be a valuable resource in shaping the redevelopment of the greater Kansas City.

Port Authority

The Port Authority oversees planning and development of the “port district,” which includes all property within the city limits. In fiscal year 2001, the Port Authority had expenditures of almost \$5 million. An employee of the Economic Development Corporation is the top executive position for the Port Authority.

The Port Authority has seven members. All seven are appointed by the City Council.

- 1) Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.

What are the overall goals for your organization? How does the board (commission) establish, document, and communicate the goals? (Please provide the documentation.)

In addition to its monthly board meetings, the Port Authority meets annually (usually in January or February) to discuss its strategic goals and conduct long-range planning with the staff and other stakeholders, including the City of Kansas City. A document summarizing the conclusions of the planning session is produced, and the document is used as the basis for the Port Authority's budget for the upcoming fiscal year with priorities reflected in the budget. The strategic planning retreat is open to the public, and the Board invites stakeholders to the retreat to receive their input. These goals and the means by which the goals are to be implemented are discussed with stakeholders (neighborhood and business meetings as well as meetings with small groups and individuals), including the City Council, outside the retreat on at least an annual basis.

In addition, the Port Authority in 2001 adopted a Communications Plan designed to achieve better and more widespread communication with all stakeholders and the public-at-large. As a result, the Port Authority has produced materials and presentations that will be utilized by staff and board members in 2002 to communicate the goals, objectives, and accomplishments of the Port Authority to civic leaders and the public. In February 2002, the Port Authority launched a web site devoted to its activities in order to better disseminate information, and also in February 2002 began distributing a two-page electronic newsletter to civic leaders and stakeholders. The newsletter, distributed by e-mail, will be produced every 4-8 weeks, or more often, and will include not only information about the Port Authority's goals and accomplishments, but will also educate people about the importance of the Missouri River and Richards-Gebaur with regard to trade, economic development, recreation, etc., and how the development of these areas will positively impact people's lives. In February 2002, the Port Authority also launched the formation of Friends of the River – Kansas City (FOR KC), a separate 501(c)3 organization that will focus on raising awareness of the river and focus on issues not directly related to economic development but will nonetheless positively impact the quality of life in Kansas City, including, but not limited to, recreation and education.

The Port Authority continues to provide direction to staff, consultants, legal counsel, and other interested stakeholders at its monthly board meetings, as well as within various committee meetings. The Port Authority has organized four separate committees to handle issues that arise before the Port Authority – 1) Riverfront Development Committee, which addresses all matters related to the

Missouri River Corridor, with the exception of the Municipal Port; 2) Administration and Port Facilities Committee, which addresses all matters related to the Municipal Port and proposed management of redevelopment at Richards-Gebaur, the formation of Friends of the River (FOR KC), and general administrative matters, such as the operating budget and communications plan; 3) EEOP Committee, which addresses all matters related to MBE/WBE participation and compliance; and 4) Problem Gaming Committee, which determines how best to distribute those funds received from the casinos to address problem gaming disorders in Kansas City. The individual committees consist of three board members – two of the seven appointed board members and the Chairman of the Port Authority. The lone exception is the Problem Gaming Committee, which consists of one board member and representatives from the casinos and the Missouri Gaming Commission. The committees reiterate on a monthly or bi-monthly basis the Port Authority's goals and objectives, and provide direction to staff and the remainder of the board. The committees ensure that the goals set by the board are implemented in a timely manner. Two committees are currently being formed – 1) Ameristar Foundation Committee, which will advise as to how funds received from Ameristar Casino will be distributed to improve entrepreneurial activities of MBE/WBE businesses in Kansas City; and 2) Richards-Gebaur Redevelopment Committee, which will advise the Port Authority on all matters related to the redevelopment of the former airport and to ensure decisions are made in compliance with the recently approved land use plan by the City Council and the wishes and desires of the surrounding neighborhoods.

Another committee, the Richard L Berkley Riverfront Park Stakeholders Committee, which consisted of former Mayor Berkley, one Port Authority board member, residents and business owners within Columbus Park and River Market, staff from the City's Parks & Recreation Department and City Planning & Development Department, as well as other identified stakeholders (totaling more than 20 people), recommended the selection of Bucher Willis Ratliff to the Port Authority to develop a Master Plan for future enhancements at Berkley Riverfront Park. Establishing the park as a premier regional gathering place was a secondary goal of the Authority, and the master plan was viewed as an important and necessary first step to accomplish that goal. The Stakeholders Committee continued to advise Bucher Willis Ratliff throughout the planning process, which included a telephone survey of residents in the greater Kansas City area. The plan was completed and formally adopted by the Port Authority in February 2002.

The goals set for the prior year are reviewed at the planning session on an annual basis, and progress is documented and reviewed for the board and attending stakeholders by staff. The review is used as a basis for helping the board determine what new goals or directions, if any, are needed for the upcoming year.

In January 2001 the Port Authority established six primary goals: 1) secure funding sources for capital improvements and operations program; 2) in coordination with the Economic Development Corporation, develop a

Communications Program for the Port Authority; 3) establish the Riverfront, Columbus Park Neighborhood, and River Market as the northern anchor and the City's first major investment of the River Crown Plaza initiative; 4) take the lead or assist with the improvement of two of Kansas City's major ports – Kansas City Municipal Port and the conversion of Richards-Gebaur Airport to an international intermodal facility; 5) complete the first phase of improvements of the Riverfront Corridor Concept Plan; and 6) enhance opportunities for MBE/WBE companies in Kansas City. In February 2002, the board reviewed the goals established in 2001 and the progress of each. The board decided that with one exception, the primary goals of the Port Authority would not change. The one exception was the second goal, which now reads instead of developing a Communications Program, implement the Communications Program.

- 2) Boards and commissions should adopt policies that delineate the latitude and the power of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies.

What are the board's policies that delineate board and staff responsibilities? What are the board's financial, revenue, and expenditure policies? How are the board's policies documented and reviewed? (Please provide the documentation.)

The Port Authority has developed policies and procedures that delineate the Commission and staff responsibilities. These are set forth in the Port Authority's Handbook (attached). In addition the Authority has on file job descriptions for the staff (attached).

The Port Authority Board, upon review and recommendation from the Port Authority's Administration and Port Facilities Committee, provides ongoing, regular guidance and monitoring of the financial planning, revenue and expenditure policies of the Port Authority to staff and to the Economic Development Corporation's accounting staff that provides bookkeeping and fiscal support to the Port Authority. The Chair of the Administration and Port Facilities Committee meets and discusses with the EDC Controller and/or accounting staff the accounting procedures and financial statements. Monthly financial statements are presented to the full board of commissioners for review and comments and the financial data and supporting documentation is audited annually by an independent outside source for compliance with board fiscal policies and the City of Kansas City fiscal policies.

The Port Authority staff and the EDC accounting staff jointly prepare an annual operating budget and two-year cash flow model for the Port Authority within a few months after the start of each calendar year for the board's review and input. Line items within the budget are prioritized according to the results of the strategic planning session held at the beginning of each year. The Port Authority's expenditure of percentage rent proceeds received from the Isle of Capri Casino (which accounts for 75-80% of the Port Authority's revenue) is also reviewed by the City Council on an annual basis, and the operating budget itself is also attached to the cooperative agreement between the City, EDC, and its affiliate agencies. Each monthly financial report provides the board with a current budget reflecting actual revenues and expenses in comparison to the projected revenues and expenses of the annual budget. Because the percentage rent proceeds are highly variable from one year to the next, a review of the budget occurs every quarter, with any revisions usually made six months after the start of the fiscal year.

- 3) Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of the management compliance.

**How does the board ensure management compliance with board directives?
How are the results documented? (Please provide the documentation.)**

The Port Authority Board conducts regular monthly board meetings to conduct board business, review and make decisions on staffing instructions and/or directives, and to routinely re-assess board policies. Virtually all decisions made by the Board are first reviewed by a committee of the Port Authority, which in turn makes a recommendation to the board as a whole. It is at the committee meetings, where review of issues and policies is studied and discussed in depth, that compliance with the board's directives are most thoroughly scrutinized.

The CEO and Port Authority staff are required to provide regular project status reports and financial reports on the day-to-day operations of the Port Authority at each monthly board meeting and at each of the committee meetings. The City's Human Relations Department and G+H Consulting provide reports regarding MBE/WBE compliance by the casinos regarding construction and operations, as well as for other Port Authority projects. All reports are documented in writing.

Board meetings are recorded by audio and transcribed into hard copies for a written record of proceedings. All documents provided during the board meetings are made a part of the complete board files for future reference in accordance with the Missouri Sunshine Law. In addition, the Port Authority is in the process of posting the minutes of all its meetings on its web site for public dissemination.

- 4) Boards and commissions should monitor the organization's progress toward accomplishing its goals, and review and update the policies, mission statement, and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance. In addition, boards should seek information on whether the organization is achieving its goals from sources independent of management.

How does the board ensure accountability for achieving organizational goals? How is that documented? (Please provide the documentation.)

The board chairman meets on a regular basis with the CEO and Port Authority staff exclusive of the regular monthly board meetings and the committee meetings to ensure that staff is meeting the goals and expectations of the board commissioners. The Port Authority further conducts annual performance reviews of the CEO and staff of the Port Authority.

The board conducts annual planning meetings to review and re-assess its goals and to provide staff and management with direction (with input from representatives of the city and other interested stakeholders), and committees of the Port Authority routinely meet to assess the appropriateness of board policies and ensure the achievement of the board's goals. Should new policies be deemed necessary, or policies need to be modified, or actions need approval in order to ensure the achievement of the Port Authority's goals, the appropriate committee reviews such matters in depth and forms a recommendation for the board as a whole.

The progress of achieving the board's goals is reviewed within the committee structure on an on-going basis, and discussed before the board as a whole when deemed necessary. A review of all goals and the progress toward achieving those goals is reviewed and documented at the Port Authority's annual planning meeting held at the first of each calendar year.

- 5) In addition to code of ethics and conflict of interest policies, boards and commissions should adopt policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, decisions are communicated. Boards should develop job descriptions for board members, have orientations for new members, provide ongoing training for all board members, have an attendance/absenteeism policy, and conduct collective self-evaluations. Boards should set and control the agenda for board meetings.

How does the board ensure a high level of board performance and effectiveness? How is that documented? (Please provide the documentation.)

The Port Authority operates under the Port Authority Law Chapter 68, RSMo, as amended from time to time, and works with a strict abidance to this law. Board and committee meetings are held in accordance with the Missouri Sunshine Law requirements, the open meetings requirements, and the Bylaws of the Port Authority of Kansas City, Missouri. All actions taken by the board are done so in an open setting and approved with a quorum of the Board present.

The Port Authority has an established job description and board profile for Board Commissioners. New members to the Port Authority are provided with a board orientation supplemented with a board manual that includes contact information for the board commissioners and staff, project summaries, the Port Authority Law Chapter 68, RSMo, the City-enabling resolution, by-laws of the Port Authority, the City ordinance regarding the annual financial disclosure report, the contract between the EDC, City, and statutory agencies, fee schedule, sunshine law policy, insurance limits, and other adopted Port Authority policies and procedures. New board members are given a tour of the Authority's projects, and the board tours its projects on an annual basis. Performance is reviewed and documented by the board as a whole at its annual planning session.

- 6) Boards and commissions should have regular meetings with the Mayor and the City Council. Boards should assess the needs, concerns, and demands of the people of Kansas City regarding the organization's activities. Boards should conduct business in accordance with the Missouri Sunshine Law, and should communicate with other city boards and organizations to see how their activities fit within the city's "big picture." Boards should develop a "board profile" to help the mayor in choosing candidates for appointments to the board.

How does the board represent the people of Kansas City? How is that documented? (Please provide the documentation.)

The Economic Development Corporation in December 2001 conducted a community strategic planning session for economic development in Kansas City, of which the Port Authority Board was a participant. More than 300 people consisting of business professionals, neighborhood leaders, City Councilpersons, City and State officials, and other stakeholders participated in the process. The input from the various planning sessions held were discussed at the Port Authority's annual planning session in February 2002 with other stakeholders and incorporated into the review of the goals and objectives of the Port Authority.

In addition, the Chair of the Port Authority meets on a regular basis with the mayor and the chairs of the other statutory agencies, as well as the chair of the Economic Development Corporation and its executive management. Monthly reports are provided by the Port Authority chair and staff to the Board of the Economic Development Corporation, and input is routinely received from the mayor, City Councilpersons, and the chairs and staff of various city departments and other boards and commissions, including the City Planning & Development Department and the City Plan Commission. The Port Authority routinely keeps city staff apprised of all activities on a weekly or bi-weekly basis, and presentations are made to the City Council and Mayor regarding the Authority's activities at least once every year.

Economic Development Corporation

The Board of Directors of the Economic Development Corporation oversees the operations of the EDC, which is involved in business development in Kansas City, and provides support to other agencies such as the TIF Commission, Port Authority, and Land Clearance for Redevelopment Authority. In fiscal year 2001, the EDC expended over \$3 million. The president of the EDC is the top executive who answers to the board.

The Board of Directors of the EDC has 38 members. The Executive Committee of the EDC nominates members of the Board of Directors.

The Board of Directors of the EDC provided the City Auditor with a written response on May 15, 2002, after the April 30 deadline.

1. Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.

What are the overall goals for your organization? How does the board (commission) establish, document, and communicate the goals? (please provide documentation)

The EDC is in the process of completing the Strategic Economic Development Plan for Kansas City, Missouri. This report is being drafted and will be submitted to the Executive Committee for recommendation by the full Board for adoption. The mission statement, goals and initial tasks will be outlined within this report.

Enclosed is a copy of the survey results from our strategic planning questionnaire (Identification of Challenges for Economic Development Facing Kansas City, Missouri), completed in December 2001.

2. Boards and commissions should adopt policies that delineate the latitude and the power of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies. What are the board's policies that delineate board and staff responsibilities? What are the board's financial planning, revenue, and expenditure policies? How are the board's policies documented and reviewed?

This is outlined in our Operations Manual pending review of the Strategic Plan. The board has adopted job description for CEO and evaluates an annual performance review of senior management. Annual budgets and operating plans are prepared by staff and reviewed by the Executive Committee of the Board.

3. Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of the management compliance.

How does the board ensure management compliance with board directives? How are the results documented?

Annual Performance Review with senior staff and external audit.

4. Boards and commissions should monitor the organization's progress toward accomplishing its goals, and review and update the policies, mission statement, and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance. In addition, boards should seek information on whether the organization is achieving its goals from sources independent of management.

How does the board ensure accountability for achieving organizational goals? How is that documented?

Annual Performance Review with senior staff and external audit.

5. In addition to code of ethics and conflict of interest policies, boards and commissions should adopt policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, and decisions are communicated. Boards should develop job descriptions for board members, have orientations for new members, provide ongoing training for all board members, have an attendance/absenteeism policy, and conduct collective self-evaluations. Boards should set and control the agenda for the board meetings.

How does the board ensure a high level of board performance and effectiveness? How is that documented?

Bylaws of the organization dictate authority of the Board members and their responsibilities. On-going training sessions are held for all agencies' Board members collectively and in consultation with EDC Staff. Training sessions are open to board members and are sent out in advance related to programs available to the EDC through its affiliate agencies. For instance, a bond training session is being held on May 8th and sessions have been held related to financial assistance that is available through EDC Loan Corporation.

6. Boards and commissions should have regular meetings with the mayor and the City Council. Boards should assess the needs, concerns, and demands of the people of Kansas City regarding the organization's activities. Boards should conduct business in accordance with the Missouri Sunshine Law, and should communicate with other city boards and organizations to see how their activities fit within the city's "big picture". Boards should develop a "board profile" to help the mayor in choosing candidates for appointments to the board.

How does the board represent the people of Kansas City? How is that documented?

All EDC meetings are open to the public, well attended by media and regular reports are provided to City Council and administrative staff pursuant to specific contracts regarding programs, projects and initiatives.

Land Clearance for Redevelopment Authority

The Land Clearance for Redevelopment Authority oversees the use of economic incentives and benefits to developers who redevelop areas of the city that are blighted or likely to become blighted. In fiscal year 2001, expenditures by the LCRA totaled almost \$2 million. An employee of the Economic Development Corporation is the top executive position for the LCRA.

The Land Clearance for Redevelopment Authority has five members appointed by the Mayor.

- 1) Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.**

What are the overall goals for your organization? How does the board (commission) establish, document, and communicate the goals?

Response: The LCRA Board of Commissioners regularly communicates to the staff during monthly board meetings the goals and objectives of the organization. In October 2000, the Board adopted a Workable Program document to serve as a means of providing guidance to the staff on how to evaluate development plans and/or projects seeking taxing incentives offered by the LCRA and as a means of determining the appropriateness of incentives. The board has established checklists and tracking systems which provide uniformity in the review and administering of taxing incentives. The LCRA's primary goals and objectives are as follows:

- Goal #1:** Implementation and Assistance - Improve the timeliness of writing urban renewal plans, facilitating necessary plan approvals at the Commission and City government levels.
- Facilitate the immediate implementation of redevelopment projects identified in approved urban renewal plans.
- Goal #2:** Improve Project Tracking System - Maintain a consistent method of updating and verifying project status.
- Goal #3:** Increase Proactiveness - The LCRA continuously seeks to increase communication with the business community, neighborhood organizations, and the development community to ensure that the agency is easily accessible and user friendly.
- Goal #4:** Establish Policy on Targeting Incentives - The board is currently re-evaluating the use of taxing incentives and how to more effectively target the use of incentives.

2) Boards and commissions should adopt policies that delineate the latitude and the power of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies.

What are the board's policies that delineate board and staff responsibilities? What are the board's financial planning, revenue, and expenditure policies? How are the board's policies documented and reviewed?

Response: The LCRA Board of Commissioners provides ongoing, regular guidance and monitoring of the financial planning, revenue, and expenditure policies of the LCRA to the Economic Development Corporation's accounting staff who provides bookkeeping and fiscal support to LCRA. One Commissioner is assigned by the Chairman to meet on a monthly basis with the EDC accounting staff to review accounting procedures and reports. Monthly financial reports are presented to the full board of commissioners for review and comments and the financial data and supporting documentation is audited annually by an independent outside source for compliance with board fiscal policies and the City of Kansas City fiscal policies.

The EDC accounting staff also prepares an annual operating budget for the agency within 60 days of the start of a new fiscal year for the board's review and input. Each monthly financial report provides the board with a current budget reflecting actual revenues and expenses comparison to the projected revenues and expenses of the annual budget.

- 3) Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of the management compliance.**

**How does the board ensure management compliance with board directives?
How are the results documented?**

Response: The Land Clearance for Redevelopment Authority Board of Commissioners conducts regular monthly board meetings to conduct board business, review and make decisions on staffing instructions and/or directives, and to re-assess any necessary modifications to board policies.

The CEO and the LCRA staff are required to provide regular project status reports and fiscal reports on the day-to-day operations of the LCRA at each monthly board meeting. The staff follows board established reporting guidelines and requirements and all reports are documented with written reports.

Board meetings are recorded by audio and transcribed into hard copies for a written record of proceedings. All documents provided during the board meetings are made a part of the complete board files for future reference in accordance with Missouri Sunshine Law.

- 4) **Boards and commissions should monitor the organization's progress toward accomplishing its goals, and review and update the policies, mission statement, and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance. In addition, boards should seek information on whether the organization is achieving its goals from sources independent of management.**

How does the board ensure accountability for achieving organizational goals? How is that documented?

Response: The board chairman meets on a regular basis with the CEO, management of LCRA exclusive of the regular monthly board meeting to ensure that staff is meeting the goals and expectation of the board of commissioners. The board further conducts annual performance reviews of the CEO and staff of the LCRA.

The board conducts on a bi-annual basis board retreats to review and assess the appropriateness of board policies, provide management/staff with direction, and to perform strategic planning for the future operations of the organization.

- 5) In addition to code of ethics and conflict of interest policies, boards and commissions should adopt policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, decisions are communicated. Boards should develop job descriptions for board members, have orientations for new members, provide ongoing training for all board members, have an attendance/absenteeism policy, and conduct collective self-evaluations. Boards should set and control the agenda for board meetings.**

How does the board ensure a high level of board performance and effectiveness? How is that documented?

Response: The LCRA Board of Commissioners operates under the Land Clearance for Redevelopment Authority Law Chapter 99.300 to 99.715, RSMo, as amended from time to time, and works with a strict abidance to this law and its policies. Board meetings are held in accordance with the Missouri Sunshine Law requirements, the open meetings requirements, and the Amended and Restated Bylaws of the Land Clearance for Redevelopment Authority of Kansas City, Missouri. All actions taken by the board are done so in an open meetings setting and approved by a quorum of the Board of Commissioners.

The board has an established job description and board profile for Board Commissioners. New members to the Board of Commissioners are provided with a board orientation supplemented with a board manual which includes the LCRA Law Chapter 99.300 to 99.715, RSMo, the Amended and Restated Bylaws of the Land Clearance for Redevelopment Authority of Kansas City, Missouri, the Open Meetings and Public Records Policy, City and State enabling ordinances, and other adopted LCRA policies and procedures. Board policies are routinely reviewed and evaluated by the Board of Commissioners.

6. **Boards and commissions should have regular meetings with the Mayor and the City Council. Boards should assess the needs, concerns, and demands of the people of Kansas City regarding the organization's activities. Boards should conduct business in accordance with the Missouri Sunshine Law, and should communicate with other city boards and organizations to see how their activities fit within the city's "big picture". Boards should develop a "board profile" to help the mayor in choosing candidates for appointments to the board.**

How does the board represent the people of Kansas City? How is that documented?

Response: The Board of Commissioners through the EDC recently (December 2001) sponsored a community strategic planning session in which more than 300 business professionals, neighborhood leaders, City Councilpersons, City and State officials, and other stakeholders in the greater Kansas City community were invited to critique the LCRA Board and staff on how it was meeting the needs of the community. Attendees at the strategic planning session actively participated with the LCRA board and staff in making recommendations on how LCRA could continue to be a valuable resource in shaping of the revitalization of the greater Kansas City and also in making recommendations on areas that needed improvement.

The CEO and staff reviewed with the Board of Commissioners the results of the strategic planning at the following January 2002 board meeting and more detailed discussion on a plan of action in response to that session and the suggestions/recommendations from the planning session will be undertaken at the planned Board Retreat this coming May 2002.

Kansas City Downtown Minority Development Corporation

The Board of Directors of the Kansas City Downtown Minority Development Corporation oversees a program that provides financial support to minority businesses. In fiscal year 2001, the KCDMDC spent about half a million dollars.

The Kansas City Downtown Minority Development Corporation has five members. The City Manager or designee is a member. The Mayor appoints the other members.

The Kansas City Downtown Minority Development Corporation provided the City Auditor with a written response on June 26, 2002, after the April 30 deadline.

1. Boards and commissions should set overall goals for the organization. The goals should describe the end result of the organization's activities and should be communicated to management.

What are the overall goals for your organization? How does the board (commission) establish, document, and communicate the goals? (Please provide the documentation.)

Please see the following documents which are attached hereto:

- (a) Mission Statement
- (b) Bylaws
- (c) Articles of Incorporation

2. Boards and commissions should adopt policies that delineate the latitude and the power of the board and the top executive. Board policies should prescribe the relationship between the board and the top executive. In addition, the board should adopt specific financial planning, revenue, and expenditure policies.

What are the board's policies that delineate board and staff responsibilities? What are the board's financial planning, revenue, and expenditure policies? How are the board's policies documented and reviewed? (Please provide the documentation.)

Not applicable.

3. Boards and commissions should ensure management compliance with board directives. Boards should specify what the top executive must report on, when, how often, and the criteria against which the CEO reports will be compared. Boards should provide for regular internal and external review of the management compliance.

How does the board ensure management compliance with board directives? How are the results documented? (Please provide the documentation.)

Not applicable.

4. Boards and commissions should monitor the organization's progress toward accomplishing its goals, and review and update the policies, mission statement, and goals. Boards should hold the top executive responsible for the organization's performance and regularly assess management's performance. In addition, boards should seek information on whether the organization is achieving its goals from sources independent of management.

How does the board ensure accountability for achieving organizational goals? How is that documented? (Please provide the documentation.)

See attached Loan Collection Policy.

5. In addition to code of ethics and conflict of interest policies, boards and commissions should adopt policies that prescribe board activities and the manner in which board meetings are conducted, the committees are structured, decisions are communicated. Boards should develop job descriptions for board members, have orientations for new members, provide ongoing training for all board members, have an attendance/absenteeism policy, and conduct collective self-evaluations. Boards should set and control the agenda for board meetings.

How does the board ensure a high level of board performance and effectiveness? How is that documented? (Please provide the documentation.)

See Item 1.

6. Boards and commissions should have regular meetings with the mayor and the City Council. Boards should assess the needs, concerns, and demands of the people of Kansas City regarding the organization's activities. Boards should conduct business in accordance with the Missouri Sunshine Law, and should communicate with other city boards and organizations to see how their activities fit within the city's "big picture". Boards should develop a "board profile" to help the mayor in choosing candidates for appointments to the board.

How does the board represent the people of Kansas City? How is that documented?
(Please provide the documentation.)

See Item 1.